

TENNESSEE REGULATORY AUTHORITY

Melvin Malone, Chairman
Lynn Greer, Director
Sara Kyle, Director



REC'D TN
REGULATORY AUTH.

'99 AUG 3 PM 12:43
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

OFFICE OF THE
EXECUTIVE SECRETARY

August 3, 1999

Mr. Donald L. Scholes
Branstetter, Kilgore, Stranch & Jennings
227 Second Avenue North
Fourth Floor
Nashville, TN 37201-1631

Reference: Petition of Lynwood Utility Corporation to Change and Increase Rates and Charges
Docket No. 99-00507

Dear Mr. Scholes:

Upon review of the above referenced petition, it has been noted that the following additional information will be necessary to clarify the filing:

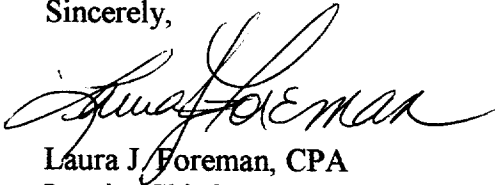
1. Historical financial statements of Lynwood Utility for 1996, 1997, and 1998.
2. Detailed revenue calculations and support documentation for all expenses for the 2000 Profit and Loss Projections that were included in the filing as Exhibits 4 and 5.
3. Proforma financial statements of Lynwood Utility for 2001 and 2002 with detailed revenue calculations and support documentation for all expenses.
4. Copies of 1996, 1997, 1998 federal and state tax returns for Lynwood Utility.
5. Number of customers served or to be served in:
 - a. Cottonwood
 - b. Legends Ridge
 - c. River Landing
 - d. Expansion for future developments
6. Copy of the agreement between Southern Utility Corp. and Lynwood Utility.
7. How much additional capacity will proposed improvements provide?

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8. Provide a copy of the notice filed by Lynwood Utility as required by Rule 1220-4-1-.05 of the Tennessee Regulatory Authority.
9. Updated status of negotiations with the City of Franklin and H.B.&T.S. Utility District.

The information requested above is to be provided to the Tennessee Regulatory Authority by August 16, 1999. Should you have any questions or require further information, I can be reached at (615) 741-2904, extension 177.

Sincerely,

A handwritten signature in cursive script, appearing to read "Laura J. Foreman".

Laura J. Foreman, CPA
Interim Chief
Energy and Water Division

c: David Waddell

/ljf99-98